



Texas Department of Insurance

Division of Workers' Compensation

Medical Fee Dispute Resolution, MS-48

7551 Metro Center Drive, Suite 100 • Austin, Texas 78744-1645

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MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

GENERAL INFORMATION

Requestor Name and Address

TEXAS HEALTH CARE PLLC
2821 LACKLAND RD SUITE 300
FORT WORTH, TX 76116

Carrier's Austin Representative Box

17

Respondent Name

FEDERAL INSURANCE CO

MFDR Date Received

May 4, 2012

MFDR Tracking Number

M4-12-2826-01

REQUESTOR'S POSITION SUMMARY

Requestor's Position Summary Dated May 4, 2012: "...Code J7799 KD is a compound drug dispensed in the office by the Doctor for a Intrathecal pump. The Doctor rendered services in good faith and is requesting to at least be reimbursed for the cost of the medication..."

Amount in Dispute: \$77.20

RESPONDENT'S POSITION SUMMARY

Respondent's Position Summary Dated May 21, 2012: (typed date on letter, May 21, 2011, hand delivered to Austin Central Office TDI DWC and dated stamped May 21, 2012). "...Requestor did not properly bill for the medication Baclofen in accordance with the attached explanation of Part B Drugs Used in an Implantable Infusion Pump. Requestor should have billed separately for this medication..."

Response Submitted by: DOWNS STANFORD PC

SUMMARY OF FINDINGS

Disputed Dates	Disputed Services	Amount In Dispute	Amount Due
September 22, 2011	Drug infused via intrathecal pump	\$77.20	\$0.00

FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and all applicable, adopted rules of the Texas Department of Insurance, Division of Workers' Compensation.

Background

1. Former 28 Texas Administrative Code, §133.305 and §133.307, 33 *Texas Register* 3954, applicable to requests filed on or after May 25, 2008, sets out the procedures for resolving medical fee disputes filed prior to June 1, 2012
2. 28 Texas Administrative Code §133.20 sets out medical bill submission requirements for health care providers
3. 28 Texas Administrative Code §134.203(b)(1) sets out medical fee guidelines for professional services
4. The services in dispute were reduced/denied by the respondent with the following reason codes:

Explanation of Benefits dated October 11, 2011

- B15 Procedure/Service is not paid separately
- KD When drugs are infused through implanted DME
- RG4 Service is incidental per Medicare Guidelines
- W1 Workers Compensation State Fee Schedule Adj
- ORC Compounded baclofen and pain management drugs do not have the same coverage requirements, thus compounded baclofen must be billed on a separate detail line of the claim from any other pain management drugs in the infusion pump. Morphine allowed only.

Issues

1. Did the requestor submit the medical bill in compliance with Division and CMS rules?
2. Is the requestor entitled to additional reimbursement?

Findings

1. 28 Texas Administrative Code §134.20(b) (1) states, in pertinent part, "for coding, billing, reporting and reimbursement of professional medical services, Texas Workers' Compensation system participants shall apply the following: (1) Medicare payment policies, including its coding; billing; ...and other payment policies in effect on the date a service is provided..." Review of the documentation finds that both Bacolfen 4,000 mcg and morphine 1,200mg – 40 ml were dispensed and billed on the same detail line of medical bill under code J7799KD. The Medicare policy in effect for the dates of service in dispute may be found at <http://www.cms.gov> CMS Manual Publication 100-04 Medicare Claims Processing, Transmittal 2132 which states, in pertinent part, that the local contractor sets payment policies for J7799. At the time these services were rendered, the applicable billing instructions were found in the LCD for *Implantable Infusion Pump*, published by Trailblazer. Trailblazer instructed providers to billed in the following manner: "...Compounded baclofen (*J7799KD) must be billed on a separate detail line of the claim from any other J7799KD pain management drugs in the infusion pump." According to the Medicare contractor's billing instructions, these medications should have been submitted on two separate detail lines. Reimbursement cannot be recommended as the medical bill did not meet the billing requirements of the applicable Medicare policy.
2. The requestors' medical bill did not meet requirements of instructions detailed in 28 Texas Administrative Code §134.203(b) (1). For that reason, payment cannot be recommended.

Conclusion

For the reasons stated above, the Division finds that the requestor has not established that any reimbursement is due.

ORDER

Based upon the documentation submitted by the parties and in accordance with the provisions of Texas Labor Code §413.031, the Division has determined no additional reimbursement for the disputed services is due.

Authorized Signature

Signature

Medical Fee Dispute Resolution Officer

YOUR RIGHT TO APPEAL

February 5, 2013

Date

Either party to this medical fee dispute may appeal this decision by requesting a contested case hearing. A completed **Request for a Medical Contested Case Hearing** (form **DWC045A**) must be received by the DWC Chief Clerk of Proceedings within **twenty** days of your receipt of this decision. A request for hearing should be sent to: Chief Clerk of Proceedings, Texas Department of Insurance, Division of Workers Compensation, P.O. Box 17787, Austin, Texas, 78744. The party seeking review of the MDR decision shall deliver a copy of the request for a hearing to all other parties involved in the dispute at the same time the request is filed with the division. **Please include a copy of the Medical Fee Dispute Resolution Findings and Decision** together with any other required information specified in 28 Texas Administrative Code §148.3(c), including a **certificate of service demonstrating that the request has been sent to the other party.**

Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.